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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

Report of the Secretary-General

SUMMARY

Many Member States have expressed support for the thorough and timely submission of the Secretary-General's programme budget for 1996-1997. The Secretary-General's efforts to enhance efficiency, both as reflected in the budget submission and as objectives to be pursued during the course of the new biennium, have been widely welcomed.

The level of appropriations finally approved by the General Assembly for 1996-1997 is $2,608.3 million, which involves $154 million of cost reductions, beyond the $98 million already included in the Secretary-General's programme budget submission. A summary of the approved programme budget is as follows:

	$ millions	
Proposed programme budget for 1996-1997, including $98 million in reductions over the level of 1994-1995	2 510.1	
Recosting	266.8	
Changes approved by the Fifth Committee, excluding General Service vacancy rate	(14.4)	
Subtotal	2 762.5	
Reductions resulting from adjustment to General Service vacancy rate	(50.2)	Reduction
Adjusted programme budget	2 712.3	154.2
Additional reductions to be achieved	(104.0)	
Approved appropriations	2 608.3	

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The amount appropriated for 1996-1997 is the same as the revised appropriations for 1994-1995.

In approving the programme budget for 1996-1997, the General Assembly decided that:

(a) The provisional total of expenditures would be $2,712.3 million (including a cost reduction of $50 million resulting from a vacancy rate factor of 6.4 per cent);

(b) A further projected reduction of $104 million would be achieved during the biennium;

(c) The total expenditures provided for in 1996-1997 would be $2,608.3 million.

Additional cost reductions of $154 million are thus to be achieved through reduced staffing and other savings.

The General Assembly requested the Secretary-General, in proposing reductions, to ensure fair, equitable and non-selective treatment of all budget sections. It emphasized that programme delivery should be achieved in the most effective and cost-efficient manner, while continuing the full implementation of mandated activities.

The Secretary-General had proposed a vacancy rate of 6 per cent for Professional posts and 0.8 for General Service posts. The General Assembly decided upon a vacancy rate of 6.4 per cent for both Professional and General Service posts. This is well above the actual rate of vacancies for General Service staff, and will require a significant number of such posts, occupied at the beginning of 1996, to be vacated, in order to avoid unbudgeted expenditures of up to $50 million. Given the incidence of personnel versus non-personnel costs in the Organization's cost structure, reductions of the magnitude set by the Assembly cannot be achieved without reductions in staff costs also for Professional posts.

Reductions of this magnitude will inevitably require some service reductions.

As the result of an intensive organization-wide planning response to the budget reductions, it is possible to advise the General Assembly that an overall reduction of approximately $140 million appears feasible at this stage. It should be understood, however, that any new mandate adopted during the biennium would require new funding, or would not be implementable without a commensurate reduction in other mandates. The reductions would be achieved through:

(a) Changes in the estimated average vacancy rate of 9.0 per cent for Professional posts and 7.0 per cent for General Service posts for the biennium;

(b) Changes in programme delivery and services. No programmes would be terminated but delays and postponements caused by resource reductions are to be expected;

(c) Efficiency gains related to procedural simplification.

All possible steps are being taken to mitigate the negative impact on the staff of the United Nations. As submitted, the programme budget for the biennium 1996-1997 entailed the abolition of some 200 posts. Under the budget as approved, an estimated 800 vacancies will have to be brought about in Professional and General Service staff posts during the course of the biennium 1996-1997. Separations, on a voluntary basis if at all possible, will be required. Care is being taken to avoid prolonged uncertainties that can affect the morale and productivity of the Secretariat. Substantial expenditures may also be required to meet termination costs. These costs have not, however, as yet been identified. There are obligations on the Organization to compensate and support terminated staff, and sustain those that remain. Member States have indicated a willingness to assist in a number of ways. The human and financial costs should not be underestimated.

Thus, while several aspects of the process remain to be finalized in detail, a basis has been set in the difficult task of reaching the mandated cost reductions. As requested by the General Assembly, the Secretary-General, no later than the fifty-first session, will make further proposals to improve efficiency, contain administrative costs and achieve savings in the Organization, all for the purpose of adhering fully to the approved appropriated level.

I INTRODUCTION

1. The present report is submitted pursuant to section II, paragraph 7, of resolution 50/214 of 23 December 1995, in which the General Assembly requested the Secretary-General to present, as soon as possible, and no later than 31 March 1996, to the General Assembly, through the Advisory Committee on Administrative and Budgetary Questions, a report containing proposals for possible savings for its consideration and approval.

2. In adopting the programme budget for 1996-1997, the General Assembly decided that the amounts under expenditure sections represented a provisional total of $2,712,265,200, and that the projected level of savings to be achieved during the biennium would be $103,991,200. The Assembly further decided that the total level of expenditures provided for in 1996-1997 would be $2,608,274,000.

3. The General Assembly decided that savings in the programme budget for the biennium 1996-1997 would not affect the full implementation of mandated activities and requested the Secretary-General, in making proposals for savings, to ensure fair, equitable and non-selective treatment of all budget sections.

4. The Secretary-General had proposed a vacancy rate of 6 per cent for Professional posts and 0.8 per cent for General Service posts. The Advisory Committee on Administrative and Budgetary Questions had recommended against an increase in the vacancy factor for General Service posts in view of the proposed decrease of 156 General Service posts for 1996-1997. 1/ The Assembly decided that the vacancy rate would be 6.4 per cent for both Professional and General Service posts.

II. MEASURES TAKEN BY THE SECRETARY-GENERAL

5. In reviewing the measures that would need to be taken to achieve a reduction of $154 million and ensure that expenditures in 1996-1997 do not exceed $2,608 million, a number of considerations must be taken into account. In the proposed programme budget itself, the Secretary-General had proposed reductions of $98 million representing a more cost-effective approach to the requirements of the Organization. The vacancy rate set by the General Assembly for General Service posts (6.4 per cent) is well above what actual rates are and have been, and would require that a significant number of posts occupied at the beginning of 1996 be vacated. Otherwise, unbudgeted expenditures up to $50 million could arise. Two clear conclusions emerged: a resource reduction of the magnitude mandated, coming after the reduction proposed by the Secretary-General in the proposed programme budget, could not be achieved while implementing the full programme of work as initially envisaged; nor could overall savings be achieved without a significant reduction in staff costs.

A. Programme impact analysis

6. A two-phased approach was adopted in seeking to achieve the mandated reductions. Programme managers were provided with information on the order of magnitude of reductions to be achieved within their respective areas of responsibility and were requested to undertake a review of their programmes and activities and to indicate how those resource reductions could be achieved and their programme impact.

7. Cooperation in seeking to achieve cost reductions and to ensure that the expenditures remain within the amount appropriated by the General Assembly ($2,608 million) was obtained from all programme managers. The Joint Inspection Unit did not propose any reduction. It raised the question of its external system-wide oversight functions and stressed its budgetary independence as an inter-agency subsidiary body of the General Assembly and other legislative bodies of its participating organizations.

B. Efficiency reviews

8. A distinct but complementary process set into motion by the Secretary-General consists of efficiency reviews to improve the performance and efficiency of the Organization and its activities. These reviews build on the very substantial groundwork laid by the Secretariat to increase the efficiency of the Organization, and are an integral part of plans for comprehensive management reform by the Secretary-General, and of his overall management plan (ST/SGB/281).

9. The efficiency reviews are intended to achieve both better value and better service in the delivery of programmes and activities. Better value refers to the traditional concept of efficiency - finding ways to achieve more or the same amount of output for less. In addition to finding less costly ways of doing work, the efficiency reviews will identify ways to improve services of the Organization to the Member States and others, resulting in better performance and higher levels of quality.

10. It is expected that the reviews will identify concrete ways to promote efficiency and improve the performance of the Organization through:

(a) Short-term efficiencies that will reduce costs without affecting programmes and activities;

(b) Re-engineering of processes, primarily through simplification so as to improve the quality, timeliness or other aspects of activities and services;

(c) Restructuring or simplification of organizational structure.

11. The Organization is carrying out two types of efficiency reviews: (a) reviews led by departments and offices; and (b) cross-cutting reviews of issues or functions that affect more than one department, for example the simplification of personnel administration.

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12. The reviews are led by United Nations managers, encouraging broad participation, seeking input and ideas from managers at all levels and staff, operating in a short time-frame, emphasizing actions that are within managers' authority and responsibility, and go well beyond cost-cutting.

13. The process is based on the approaches that have been used successfully by many Member States to reform public sector organizations and have also been proven successful in the United Nations context. The efficiency reviews are being supported by experts from Member States provided at no cost to the Organization. All Member States were asked to provide such experts and the Secretary-General appreciates the response given by many.

14. Currently, all departments and offices in the Organization have completed the planning phase of the efficiency reviews. They have identified over 300 issues that they will review over the coming months. They have named review leaders and teams who will carry out the reviews and action managers who will be responsible for the implementation of recommendations.

15. Cross-cutting reviews are in the early stages. A review of personnel administration has been initiated and will, it is hoped, result in proposals for significant simplification and more timely services. A review of information technology will be initiated leading to the development of a strategic information technology plan. Additional cross-cutting reviews are planned related to the simplification of financial administration, travel, management of documents and publications and other topics.

III. PROGRESS ACHIEVED

16. Seeking to achieve reductions of the magnitude requested is a complex exercise. The time available between the decision taken by the General Assembly and the deadline established by the Assembly for the submission of the present report was extremely short. This report therefore must be considered as an interim one. It is possible, at this stage, to identify reductions only in broad and preliminary terms. From the responses received from programme managers, an overall reduction in the neighbourhood of $140 million would appear feasible at the present stage, reflecting the anticipated changes in staffing and work programmes and services as described below. This amount is likely to change as the implementation of the budget proceeds and managers exercise flexibility to respond to changing circumstances. It will also change as the results of the numerous reviews currently under way become known. At the end of the process, the level of mandated reductions seems achievable but not without much continuing difficulty. It should also be understood that any new mandate adopted during the biennium would require new funding or would not be implementable without a commensurate reduction in other mandates.

A. Staffing

17. With regard to staffing levels, it is anticipated that an average biennial vacancy rate of 9.0 per cent for Professional posts and 7.0 per cent for General

Service posts could be realized in 1996-1997. These figures are indicative and will change as budget implementation proceeds.

18. The increase in vacancies is expected to be realized through:

(a) Full use of attrition in 1996-1997;

(b) Strict enforcement of retirement age;

(c) Freeze in recruitment, subject to limited exceptions;

(d) Implementation of an early separation programme, subject to availability of funds;

(e) Introduction of a programme for lateral redeployment of staff;

(f) Should these measures not prove sufficient, the involuntary separation of staff.

19. The Secretary-General has issued a first administrative instruction setting out the consequences of budgetary reductions for staff members. Involuntary reductions in staff, as required, will be achieved through a mechanism that will ensure that affected staff are considered for all available vacancies. This mechanism, which is designed to protect the rights of staff and to ensure that staff are retained on the basis of relative competence following a comparative assessment vis-à-vis their peers, is being established in consultation with staff representatives Secretariat wide, and will shortly be promulgated in an administrative instruction.

20. An early separation programme for 1996 has been offered worldwide, with the expectation that voluntary buy-outs will have a significant effect on achieving the overall reduction target. Outplacement and job search support will be needed for those losing their employment. There is a role for Member States and host countries in assisting terminated staff members to resolve visa difficulties, to find alternative employment and possibly to resettle. The human dimension of this process deserves the most serious concern and attention.

B. Programmatic and budgetary considerations

21. The following paragraphs outline the impact that reductions would have on the work programmes of the various departments and offices and steps taken to accommodate reductions. Although this cannot be assessed with any precision at this early stage, it is to be hoped that, as a result of the efficiency reviews referred to in paragraphs 8 to 15 above, some, although not all, of the reductions in services and programme impacts described below, may be mitigated.

Section 1. Overall policy-making, direction and coordination

Preliminary estimate of reduction: $1.2 million - $1.4 million

Impact: Reduction in the level of support services provided to the Panel of External Auditors and to the special sessions of the United Nations Joint Staff Pension Board; anticipated reduction in level of representation of the United Nations Staff Pension Committee at the sessions of the Board.

Efficiencies: Streamlining of work procedures in the Executive Office of the Secretary-General, the Office of the Director-General at Geneva and at Vienna; use of the optical disk by the secretariat of the United Nations Board of Auditors.

Section 2. Political affairs

Preliminary estimate of reduction: $3.1 million - $3.5 million

Impact: Reduction in meetings of the Advisory Board on Disarmament Matters from four to two; and in the Standing Committee on Security Questions in Central Africa from four to two. Disarmament fellowships will be reduced from 25 to 15. Reductions are also anticipated in travel expenses.

Efficiencies: Streamlining work, dispensing with the reproduction of detailed information concerning resolutions in the annotated agenda of the General Assembly, maximizing the benefits of office automation, improving the quality of the United Nations Disarmament Yearbook and the Disarmament: A Periodic Review by the United Nations while reducing the number of pages, issues and languages, streamlining Security Council documents processing procedures through introduction of electronic links within the Secretariat as well as between the Secretariat and members of the Council.

Section 3. Peace-keeping operations and special missions

Preliminary estimate of reduction: $5.8 million - $6.4 million

Impact: Increase in workload.

Efficiencies: Among issues being reviewed: increased use of delegated authority; expanded use of information technology; more cost effective, expeditious system to transport personnel on field missions; and development of an integrated electronic network between field missions and Headquarters.

Section 4. Outer space affairs

Preliminary estimate of reduction: $0.2 million - $0.3 million

Impact: Reduction in the number of participants sponsored by the regular budget at workshops/training courses on applications of space and in the number of advisory missions; and postponement of two technical and legal studies.

Efficiencies: Streamlining the process of organizing training courses/workshops resulting in reduced costs; review of the duration of intergovernmental meetings and of the current method of providing parliamentary services; greater use of the International Space Information Service and a Home page on the Internet.

Section 5. International Court of Justice

Preliminary estimate of reduction: $0.9 million - $1.0 million

Impact: Curtailment of the publications of the Court's documents; postponement of the Court's document information and archiving programme; one-time reduction in the United Nations contributions to the operating expenses of the Peace Palace; and delays in registration, classification and indexing of correspondence.

Efficiencies: Review of workload of conference services.

Section 6. Legal activities

Preliminary estimate of reduction: $1.6 million - $1.8 million

Impact: Delays in providing legal advice and services on all but the most urgent requests; reduction in ability to absorb ad hoc or unforeseen tasks; difficulties in responding to requests for provision of a legal officer for missions or consultations; and elimination, curtailment or postponement of publications of a non-recurring nature.

Efficiencies: Studies are under way in many areas.

Section 7A. Department for Policy Coordination and Sustainable Development

Preliminary estimate of reduction: $2.3 million - $2.5 million

Impact: Delays in the preparatory work on report on the situation of youth and preparatory work for the third review and appraisal of the World Programme of Action concerning Disabled Persons and the development of new monitoring methodologies and concepts in connection with the system-wide medium-term plan for the advancement of women; cancellation of ad hoc groups on poverty eradication and on decision-making in the economic area; curtailment of work relating to the trafficking of women and violence against women; non-issuance of the bulletin on family and development; two issues of the publication Women 2000; weakened capacity for statistical analysis for least developed country classification for the Committee for Development Planning; non-performance of statistical analysis for fresh water data; reduced work in the area of energy; and reduction in quality/timeliness of support to central intergovernmental organs.

Efficiencies: Improving quality and timeliness of parliamentary documentation preparation and processing; integration or consolidation of reports; exploration of mechanisms for external review of documents; improving publications content and dissemination and production; common database on non-governmental organizations; improved information flow for non-governmental organizations; and improved travel arrangements.

Section 7B. Africa: critical economic situation, recovery and development

Preliminary estimate of reduction: $0

Section 8. Department for Economic and Social Information and Policy Analysis

Preliminary estimate of reduction: $2.7 million - $2.9 million

Impact: Suspension of the annual update of the World Economic and Social Survey; reduction in scope of analysis for the Report on the World Social Situation and postponement of its supplement; postponement of studies and an ad hoc expert group in the area of micro-economics as would the study on determinants of reproductive behaviour; delays in revisions of demographic estimates and projections and in completion of World Population Policies; in the completion of database on population, resources, environment and development; and in the completion of environmental statistics database and in the social statistics programme; the further development of an economic and social information system (UNESIS) will be delayed.

Efficiencies: Improvement in the collection and dissemination of statistical data; streamlining the servicing of the Commission on Population and Development and information flows within the Department of Economic and Social Information and Policy Analysis.

Section 9. Department for Development Support and Management Services

Preliminary estimate of reduction: $0.5 million - $0.6 million

Impact: Delay in preparation of one publication and postponement of an expert group meeting.

Efficiencies: Streamlining of administrative procedures to expedite project delivery; wider use of electronic mail for submission of draft projects and technical cooperation financial reports; simplification of the processing of seminars/workshops reports; rationalization of the Administrative and Financial Control Services and of the Executive Office with a view to creating a streamlined integrated administration and management capacity within the Department.

Section 10A. United Nations Conference on Trade and Development

Preliminary estimate of reduction: $6.6 million - $7.3 million

Impact: No consequential programmatic impact in the immediate future; changes and the impact of the budget reduction to be assessed after changes in the present work programme of the United Nations Conference on Trade and Development (UNCTAD) is determined by UNCTAD at its ninth session, scheduled to meet in April 1996.

Efficiencies: Study regarding the structure of UNCTAD and its reorganization to implement a visibly leaner organizational structure, through the streamlining of administration and management and the rationalization of substantive programmes.

Section 10B. International Trade Centre UNCTAD/GATT

Preliminary estimate of reduction: $0.4 million

ITC has indicated, following consultations with the World Trade Organization, that reductions in the order of $400,000 would be feasible without significant impact on its work programme.

Section 11. United Nations Environment Programme

Preliminary estimate of reduction: $0.5 million - $0.6 million

Impact: Reduced participation and input into inter-agency meetings and reduced liaison with multilateral development banks.

Efficiencies: Streamlining and increasing the efficiency of managerial reporting with the objective to reduce the reporting burden on managers and increase the effectiveness of reporting as a managerial tool.

Section 12. United Nations Centre for Human Settlements

Preliminary estimate of reduction: $0.6 million - $0.7 million

Impact: No direct programmatic impact is anticipated up to the convening of the Second United Nations Conference on Human Settlements (Habitat II).

Efficiencies: Reorganization of programme delivery; decentralization of operational activities; improvement of information flows within the Centre; decentralization of responsibility for travel and communications to the divisions; and review of publications policy and printing procedures and of fund-raising process for extrabudgetary resources.

Section 13. Crime control

Preliminary estimate of reduction: $0.2 million - $0.3 million

Impact: Deferral of three expert group meetings; and reduction in the number of databases and in the amount of published material of a non-recurrent nature.

Efficiencies: Review of the frequency of the sessions of the Commission on Crime Prevention and Criminal Justice to improve the ability of the Commission to provide strategic guidance to the crime prevention and criminal justice programme.

Section 14. International drug control

Preliminary estimate of reduction: $0.9 million - $1.0 million

Impact: Deferral of three expert groups, of the development and evaluation of questionnaires on demand reduction; provision of legal advice on establishing/strengthening standardized national data collection systems; and the publication of manual on techniques of rapid assessment of the extent of drug abuse problems.

Efficiencies: Review of the frequency of meetings of policy-making bodies.

Section 15. Economic Commission for Africa

Preliminary estimate of reduction: $4.3 million - $4.7 million

Impact: Termination of 25 reports and 18 publications; deferral of 9 publications and 1 expert group meeting; curtailment of advisory services in a number of areas; and reduction of the number of meetings of 9 subsidiary bodies of the Commission from 8 to 6 days.

Efficiencies: Renewal programme aimed at reforming policy orientation, programmes, organizational structure and management practices of the Economic Commission for Africa (ECA) and resulting in enhanced synergy among programme areas, greater impact of the Commission's work on agreed priorities in Africa's development, improved management practices, strengthened monitoring and evaluation functions; rationalization of the use of resources for travel; and rationalization of meetings and documentation. This programme is based on extensive in-house reflections, independent external reviews, consultations with leading experts and policy makers as well as with the current Bureau of the Commission. The ECA Conference of Ministers will deliberate on the proposed reforms which will be presented to the Conference when it meets in April 1996.

Section 16. Economic and Social Commission for Asia and the Pacific

Preliminary estimate of reduction: $3.6 million - $3.9 million

Impact: Termination deferral or curtailment of a number of activities. These are being identified and will be submitted, through the Advisory Committee of Permanent Representatives, to the Commission at its session scheduled for April.

Efficiencies: Improved targeting of and streamlined distribution of documents; ways to strengthen the publications programme; streamlining periodic management reporting; and review of current arrangements for provision of supplies and services.

Section 17. Economic Commission for Europe

Preliminary estimate of reduction: $3.0 million - $3.6 million

Impact: Reformulation, postponement or termination of a number of activities.

Efficiencies: Reviews of the programme of work of the Economic Commission for Europe (ECE) by its ad hoc Group on Strategic Directions and Efficiency; possibility of further shortening of sessions of ECE intergovernmental bodies; review of publications; building of a team approach between ECE divisions; increased computer training; investment in adequate equipment and software in order to have all staff connected to the LAN; and transformation of more paper forms to an electronic format.

Section 18. Economic Commission for Latin America and the Caribbean

Preliminary estimate of reduction: $4.8 million - $5.4 million

Impact: Deferral of 16 non-recurrent publications and 2 ad hoc expert groups.

Efficiencies: Studies on the establishment of wide area network (WAN) for improving communications, facilitation of travel and administrative requests, access to information and reduction of reliability on hard-copy sources; adoption of better technologies for document production and dissemination; simplification of policy-making meeting structures, frequencies and reporting; rationalization of official travel; and streamlining administrative support areas.

Section 19. Economic and Social Commission for Western Asia

Preliminary estimate of reduction: $2.0 million - $2.2 million

Impact: Curtailment of five publications, two ad hoc expert groups and the provision of advisory services in two areas of work.

Efficiencies: Studies covering the restructuring of the General Service section with a view to simplifying procedures; space consolidation; streamlining of administrative and substantive sections; and decentralization of administrative decisions.

Section 20. Regular programme of technical cooperation

Preliminary estimate of reduction: $7.4 million

This reduction would bring the level of resources for the programme to the level of expenditures for 1994-1995, as requested by the General Assembly.

Section 21. Human rights

Preliminary estimate of reduction: $2.6 million - $2.9 million

Impact: Reduction in the analytical work in the field of treaty monitoring and in the publications programme; delays in handling of communications under existing treaties; and reduced staff support to missions by working groups and special rapporteurs.

Efficiencies: Restructuring of the Centre for Human Rights is proceeding, including determination of organizational units, the definition of their functions and the allocation of resources among them.

Section 22. Office of the United Nations High Commissioner for Refugees

Preliminary estimate of reduction: $3.3 million - $3.6 million

Impact: The Office of the United Nations High Commissioner for Refugees (UNHCR) will achieve the required reduction through vacancy management within its overall support budget, of which the regular budget is one.

Efficiencies: With the support of its Executive Committee, UNHCR has launched a review of the core processes across existing organizational structures with a view to improving delivery, accountability and performance.

Section 23. United Nations Relief and Works Agency for Palestine Refugees in the Near East

Preliminary estimate of reduction: $1.2 million - $1.3 million

Impact: Extrabudgetary resources will be utilized to meet any reduction in regular budget funding.

Section 24. Department of Humanitarian Affairs

Preliminary estimate of reduction: $1.0 million - $1.1 million

Impact: Reduction in duration and composition of needs assessment missions to be dispatched in response to emergency situations; deferral of studies and research on key humanitarian issues and the production of information material for donors and operational agencies; deferral of technological innovations in registry and information management.

Efficiencies: Expanded use of technology to reduce communications costs; follow-up on internal management improvements; and increased use of agreements with external groups to improve response to emergency.

Section 25. Public information

Preliminary estimate of reduction: $7.2 million - $8.0 million

Impact: Greater selectivity in the frequency of radio programmes as well as in production targets; decline in the speed and quality of press coverage; further integration of information centres with the United Nations Development Programme (UNDP), in full consultation with the host countries concerned; reduction in the promotion and marketing of videos and radio programmes; curtailment in Audio Bulletin Board services and distribution of news scripts and statements to radio producers; postponement of the plan to upgrade exhibits along the guided tour route; as well as the proposed purchase of an exhibits' system.

Efficiencies: Improved utilization of advanced information technologies for public information programmes; increased cooperation with other members of the United Nations System; continue making the Department of Public Information (DPI) a more streamlined and functionally better integrated operation; reviewing of publication programme; better promotion and marketing efforts; consolidation of products in order to eliminate duplication; increased utilization of internal printing capacities; increased use of modern technology for electronic publishing and dissemination, including electronic sales; merging the publication Development Business with the World Bank's International Business Opportunities service; reviewing of the operation of the United Nations information centres with a view to enhancing their level of performance; increased utilization of new technologies; and enhancing interdepartmental consultative machinery to undertake planning for information components of peace-keeping and other field missions.

Section 26. Administration and management

Preliminary estimate of reduction: $43.5 million - $48 million

Impact: Support services: The partial or total deferral of the following major projects: study and phased implementation of master plan for the facilities; energy lighting conservation measures; upgrades of telecommunications systems and equipment in various conference rooms and related support facilities; and major maintenance work with the exception of those pertaining to legislation, code compliance and health and safety issues.

Programme Planning, Budget and Finance: Deferral of enhancement of the budget information system.

Human Resources Management: Reduction in the scope of the training programme particularly, the deletion of a senior management training module on the management of information technology; delays in examination preparation, in the issuance of information and administrative circulars and in the control, design and issuance of forms; and in the processing of applications of external candidates.

Conference services: Reduction in capacity to service meetings, offset to some extent by productivity increases to be achieved by using higher over-programming factors in staff assignments, but still resulting in resource levels below optimum requirements to service fully the approved calendar of conferences and meetings and eliminating any capacity for unscheduled meetings; reduction in document-processing capacity, compensated partially by increasing productivity in translation services through expanded use of self-revision, but resulting in reduced production of publications and delayed issuance of meeting records; and deferral of the introduction of further technological advances in the document-processing operation, particularly in the translation function.

Administration, Geneva: Limitation in the provision of services.

Administration, Vienna: Deferral of the full automation of conference services in Vienna. Curtailment in the delivery of mail and in the frequency of opening hours of the Vienna International Centre.

Efficiencies: Support Services: Development and utilization of a system of locating past project information through a database; analysis and evaluation of alternate contracting methodologies for design and construction; creation of a guidelines document for implementation of capital improvement projects; reallocation of maintenance staff in duty shifts; restriction of off-hours and weekend facilities services in leased premises; upgrade of computerized maintenance and facilities management systems;

consolidation of United Nations procurement activities, as well as reform of the procurement system of the United Nations Secretariat; redesign of satellite communications network for the United Nations and its specialized agencies; introduction of video-conferencing at Headquarters to be further expanded with a view to reducing travel costs and enhancing management efficiency; and reduction of the cost of mainframe computer service.

Programme Planning, Budget and Accounts: Study of the possibility of transfer of administrative costs for the reimbursement of income tax from the regular budget to the Tax Equalization Fund; improvement of work flows in the Accounts Division; streamlining procedures for processing staff entitlements; simplification of procedures for budget preparation; improved dissemination of insurance information; limitations of United Nations liability for losses of property; and streamlining United Nations group life insurance.

Human Resources Management: Implementation of a correspondence tracking system; establishment of a telephone inquiry service; improving the efficiency of staff-management consultations on administrative issuances; improving the screening of national competitive exams; elimination of manual compilation of rental subsidy; streamlining the appointment, the procedures for verifying dependency status, references system, termination for reason of health; unification of research facilities of the Administrative Law Unit and the Rules and Regulations Unit; devising of alternative training methods; establishment of a databank of world-wide recruitment sources; reviewing exceptions to staff rules; streamlining procedures of the Visa Committee; integrating the Organizational Manual functions within the Office of Human Resources Management structure; and simplifying procedures in training and sick leave certification procedures and in ordering medical supplies.

Conference Services: Suspension of regular weekend duty to reduce overtime costs; reconsideration of night-shift schedules with a view to reducing overtime and night differential costs; restriction of document circulation within the Secretariat and limitation of document availability in conference rooms to avoid duplication and reduce printing workloads; review of remuneration levels of temporary language staff with the aim of reducing temporary assistance costs; expansion of local base of temporary staff to reduce dependency on higher-cost non-local temporary assistance; introduction of remote verbatim reporting to increase productivity in that function; expanded use of monitored self-revision in translation services to increase productivity; enhancement of terminology and reference support to in-house and contractual translation to improve quality; streamlining of work-flows and programming in translation and editorial services to shorten turnover time; review of structure and functions in

selected areas to optimize use of staff resources and identify possible redundancies.

Administration, Geneva: Restructuring of organizational units, and procedural changes designed to maintain the same level of services with reduced staff.

Administration, Vienna: Automation of meetings planning; streamlining the logistics of providing conference support; full use of Vienna interpretation; standard introduction of remote translation; review of the management structure of security; rescheduling/streamlining of security duty shifts; introduction of electronic banking; joint United Nations/United Nations Industrial Development Organization (UNIDO) review of building management contracts, billing processes; maximizing travel resources through use of special fares; establishment of joint International Atomic Energy Agency (IAEA)/UNIDO/United Nations purchase orders; in-time methods for inventory; and streamlining of electronic data-processing administration.

Section 27. Jointly financed administrative activities

Preliminary estimate of reduction: $0.2 million - $0.3 million

Impact: In respect of subsidiary bodies of the Administrative Committee on Coordination, reduction in the frequency of meetings.

Efficiencies: In respect of subsidiary bodies of the Administrative Committee on Coordination, feasibility of use of teleconferencing and of reproducing material on CD-ROM with a view to reducing printing and mailing costs; and distribution of documentation among agencies through electronic mail.

Section 28. Special expenses

Preliminary estimate of reduction: $0.1 million

Impact: Reduction anticipated in insurance premium.

Section 29. Office of Internal Oversight Services

Preliminary estimate of reduction: $0

There will be delays in the filling of posts. This will not result in actual reductions given that new posts are costed at 50 per cent in the programme budget.

Impact: Delays in the investigation of cases; non-expansion of audit coverage; postponement of the initiation of the monitoring exercise; and deferral of three inspections.

Efficiencies: Review of reporting processes; study to facilitate access to necessary information between units within the Office of Internal Oversight Services and with other departments. Review of approach to inspection, job descriptions, responsibility and authority of the Office of Internal Oversight Services staff, procedures for preparation of programme performance report.

Section 30. Technological innovations

Preliminary estimate of reduction: $0.6 million - $0.7 million

Impact: Increased workload.

Efficiencies: Use of staff instead of contractors; and reduction in contractual costs.

Section 31. Construction, alteration, improvement and major maintenance

Preliminary estimate of reduction: $2.0 million

Impact: Deferral of a number of projects.

22. In addition, a preliminary reduction estimated at from $18.4 million to $20.3 million is anticipated in respect of staff assessment.

* * *

23. The complex and difficult process of identifying reductions is well under way. At the present stage, reductions have been identified in broad terms. The Secretary-General will report to the General Assembly at its fifty-first session in detail on reductions to be achieved, taking also into account the results of the efficiency reviews now under way.

Notes

1/ Official Records of the General Assembly, Fiftieth Session, Supplement No. 7 (A/50/7), para. 63.

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PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

Revised estimates under section 26E, Conference services, and section 26F, Administration, Geneva

Conference servicing of the Conference of States Parties to the United Nations Framework Convention on Climate Change

Report of the Secretary-General

Introduction

1. In paragraph 5 of its decision 14/CP.1 of 7 April 1995, the Conference of the Parties to the United Nations Framework Convention on Climate Change requested the General Assembly, bearing in mind the institutional linkage of the Convention secretariat to the United Nations and the large number of States that were parties to the Convention, to finance from the regular budget of the United Nations the conference-servicing costs arising from sessions of the Conference of the Parties and its subsidiary bodies for the duration of the institutional linkage until the end of 1999 (see FCCC/CP/1995/7/Add.1).

2. In its resolution 50/115 of 20 December 1995, the General Assembly decided to include in the calendar of conferences and meetings for 1996-1997 the sessions of the Conference of the Parties and its subsidiary bodies envisaged for that biennium entailing 12 weeks of conference servicing. The Assembly further requested the Secretary-General to make the necessary arrangements to include in the calendar of conferences and meetings for the biennium 1998-1999 those sessions of the Conference of the Parties and its subsidiary bodies that the Conference might need to convene in that period.

3. As indicated in the report of the Secretary-General (A/50/716/Add.1) and the statement of programme budget implications (A/C.5/50/39), the full cost of the 1996 programme of meetings was estimated at $3,522,200. The General

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Assembly decided to consider the actual amount required under section 26E of the proposed programme budget for the biennium 1996-1997, 1/ including the need for an additional appropriation, at its resumed fiftieth session in 1996 on the basis of revised estimates submitted by the Secretary-General (see A/50/823, para. 3). The present report is submitted pursuant to that decision.

4. In its related report (see A/C.5/50/SR.41), the Advisory Committee on Administrative and Budgetary Questions stated that since the need for an additional appropriation would not be considered by the General Assembly until its resumed fiftieth session, in 1996, work to prepare for meetings during the first quarter of 1996 could be initiated on the understanding that such action should in no way prejudge the decisions to be taken by the Assembly.

5. At the time the statement of programme budget implications was prepared, the programme of meetings had not yet been decided on for 1997 and the Secretariat was not yet in a position to estimate the conference-servicing requirements for that year. The preliminary programme of meetings for 1997 is now available, and it is understood that those meetings will, in principle, be held at Bonn. The Secretary-General is therefore submitting estimates for both 1996 and 1997.

6. The annual programme of meetings of the Conference of the Parties and its subsidiary bodies would amount to a total of 120 meetings over three two-week periods, for a total of six calendar weeks a year. Interpretation services would be required in all six languages. During each two-week period, a total of 40 meetings would be programmed for the sessions of several bodies meeting simultaneously. The total programme is equivalent to 12 weeks of meetings a year. Details of the sessions are provided in the annex to the present document. The documentation requirements estimated by the Convention secretariat would amount to 2,004 pages a year in the original language, comprising 147 documents.

7. The proposed programme budget for 1996-1997 included provision for meetings not yet approved at the time the programme budget was prepared but which would be added during the course of the biennium, on the assumption that the number and distribution of meetings would be consistent with the pattern of previous years. In the absence of a legislative decision on the part of the General Assembly regarding services to be provided to the Conference of the Parties and its subsidiary bodies beyond 31 December 1995, no provision for such conference services was made in the proposed programme budget for 1996-1997. The final expenditures for the biennium 1994-1995 show that actual requirements for temporary assistance for meetings in 1994-1995 ($61,964,100) considerably exceeded the revised appropriation for 1994-1995 ($50,700,000) and the level projected in the proposed programme budget for 1996-1997 ($54,621,800). In view of the pattern of meetings and conference-servicing requirements in 1994-1995, it is expected that any requirements of the Conference of the Parties and its subsidiary bodies that cannot be absorbed from within permanent capacity would require an additional appropriation and could not be met from within the reduced budgeted resources for temporary assistance in the approved programme budget for 1996-1997.

8. Because of changes to the calendar of conferences during the course of a biennium and the fact that many meetings have dates to be determined, it is difficult to predict with full certainty the actual additional requirements in advance. Furthermore, the exact dates of all sessions of the Conference of the Parties and its subsidiary bodies have not yet been determined. None the less, on the understanding that sessions of the Conference of the Parties and its subsidiary bodies will not be scheduled during weeks when permanent capacity is fully utilized for United Nations meetings and taking into account possible overprogramming, it has been assumed that it may be possible to absorb 20 per cent of the interpretation costs.

9. In the case of documentation, however, the total volume of documentation will exceed the permanent capacity. All requirements for translation and text processing will therefore be additional. For meetings at Geneva, the cost of reproduction other than paper costs would be absorbed. Other additional requirements are based on past recruitment patterns.

10. It is understood that the Conference of the Parties and its subsidiary bodies will be subject to the rules and regulations established by the General Assembly regarding conference-servicing policy, including the rules and regulations for the control and limitation of documentation.

11. There are also additional requirements relating to the holding of meetings at Bonn in 1997. These include the cost of travel and subsistence of interpreters, who would otherwise have been recruited locally at Geneva. Also, it will be necessary to send supervisory staff and other permanent staff from Geneva or recruit local staff for various services that would have been absorbed if the meetings were held at Geneva. In particular, it will not be possible to absorb reproduction costs for in-session documentation at Bonn.

12. For meetings at Bonn, it is planned to use remote translation and text processing for in-sessional documentation. While there will be some additional costs involved, for example documents control staff will be required both in Geneva and Bonn, it should be noted that there will be no additional travel costs for translation and text processing staff.

13. For meetings at Bonn, it is assumed that the Convention secretariat will provide, with the assistance of the host Government, the necessary conference facilities, including two large meeting rooms equipped for simultaneous interpretation from and into six languages with facilities for recording, office space, office equipment and equipment and facilities for remote translation and reproduction of in-session documentation in six languages.

Resource requirements for 1996-1997

14. The full costs at current rates are estimated at $3,580,600 for 1996 and $4,170,700 for 1997, totalling $7,751,300 for the biennium.

15. The additional requirements (i.e., full costs net of absorbed costs) are estimated at $5,517,000 for the biennium, of which $2,446,200 relates to 1996

and $3,070,800 to 1997. Details of how the estimates were arrived at are provided below.

Temporary assistance for meetings ($4,642,600)

16. Total additional requirements for temporary assistance for meetings are estimated as follows:

	1996	1997	Total
	(United States dollars)		
Interpretation	585 600	546 400	1 132 000
Translation	1 443 200	1 472 100	2 915 300
Text processing	197 500	197 500	395 000
Other	77 300	123 000	200 300
Total	2 303 600	2 339 000	4 642 600

17. Requirements for temporary assistance were estimated based on the number of workdays required to provide the estimated meeting servicing requirements. For interpretation and translation, it was assumed that the existing workload standards are indicative of actual productivity. For text processing, productivity was estimated at an average of approximately 15 pages a day for both original and translated text.

18. The cost per day is based on current salary rates for Geneva and Bonn for short-term staff and take into account the average level of such staff and percentage of non-local staff based on past recruitment. In the absence of experience with recruitment for meetings at Bonn, it was assumed that interpreters would be recruited from Geneva.

Interpretation

19. It is estimated that a total of 1,050 workdays would be required for interpretation services for 120 meetings a year in six languages. Assuming that meetings of the Conference of the Parties and its subsidiary bodies will not be scheduled at times when permanent capacity is fully utilized and that it is possible to absorb some 20 per cent of the requirements within existing capacity (see para. 8 above), temporary assistance would be required for 840 workdays a year. The costs of travel to Bonn are estimated separately in paragraph 23 below.

Translation and text processing

20. In the case of translation and text processing, it is assumed that all budgeted resources would be utilized for the existing volume of work (i.e., there would be no capacity to absorb within existing resources). In order to translate and revise 2,004 pages of documentation in the original language each year into the other five languages, it is estimated that 2,533 workdays of

temporary assistance would be required. Text processing requirements are estimated at 799 workdays, of which 759 would be provided under temporary assistance for meetings and 40 under overtime (see para. 22 below).

Other

21. Temporary assistance would also be required for two documents distribution clerks ($18,700), four meeting room attendants ($40,300), six sound technicians ($66,200) and two messengers ($20,100). For meetings at Bonn, two additional documents distribution staff ($9,300) would be recruited locally. Provision is also made for 10 locally recruited staff (two shifts) for the reproduction of in-session documentation at Bonn ($45,700). Conference officers, documents control staff, reproduction staff at Geneva, and three documents distribution staff would be provided from within existing capacity.

Overtime ($39,000)

22. The provision for overtime would cover 600 hours of overtime each year for text processing of in-session documentation, documents control, conference officers, documents distribution, sound technicians and messengers.

Travel of conference-servicing staff to meetings ($607,300)

23. Travel requirements for the meetings at Bonn in 1997 are estimated at $607,300. Of the total, $432,500 would cover the cost of travel and subsistence for 42 interpreters (28 for two weeks and 14 for one week), three times a year. An amount of $172,800 would be required to cover the travel and subsistence, also three times a year, of the following 12 staff:

Conference Coordinator
Assistant
Two conference officers
Two documents control clerks
Chief interpreter
Documents reproduction supervisor
Three documents distribution clerks
Technical specialist (remote translation)

Also included is provision for one planning mission to Bonn for five days in connection with remote translation ($2,000).

Operating expenses ($5,100)

24. In 1997, provision is made for freight in connection with the shipment of pre-session documentation to Bonn ($5,100).

25. The Convention secretariat has been asked to provide reproduction facilities at Bonn, and no provision is made for this purpose.

26. It is also assumed that the Convention secretariat will provide the equipment required for remote translation of documentation at Bonn. This equipment is already available at Geneva. In addition, it is assumed that the

Convention secretariat would cover the related communication costs, including installation charges for leased lines to be used in remote translation.

Supplies ($223,000)

27. The cost of reproduction paper for documentation reproduced at Geneva is estimated at $223,000, based on the actual printruns for the Conference of the Parties and its subsidiary bodies and the estimated documentation requirements. The total number of page impressions is estimated at 9,058,080 a year, of which 1,812,520 would be for in-session documentation.

Conclusion

28. As indicated above, the full costs at current rates are estimated at $7,751,300. The net additional requirements are estimated at $5,517,000, for which an additional appropriation would be required under sections 26E, Conference services, and 26F, Administration, Geneva, of the programme budget for 1996-1997. The additional requirements are summarized below:

	1996	1997	Total
	(United States dollars)		
Temporary assistance for meetings	2 303 600	2 339 000	4 642 600
Overtime	19 800	19 200	39 000
Travel of staff to meetings	-	607 300	607 300
Freight	-	5 100	5 100
Reproduction paper	122 800	100 200	223 000
Total	2 446 200	3 070 800	5 517 000

29. As indicated above, the costs that can be absorbed ($2,234,300) have already been taken into account. It is anticipated that the approved budgetary resources for conference services in 1996-1997 will be fully utilized for the programme of meetings of United Nations bodies. Therefore, an additional appropriation would be required in the context of the revised appropriation to be approved by the General Assembly at its fifty-first session, in December 1996.

30. It is understood that the additional appropriation would be subject to the provisions of the contingency fund. Under the procedure established by the General Assembly in its resolution 41/213, a contingency fund is established for each biennium to accommodate additional expenditures derived from legislative mandates not provided for in the programme budget. In resolution 50/216 of 23 December 1995, the General Assembly noted that a balance of $19,427,000 remained in the contingency fund for the biennium 1996-1997. The net amount

available in the contingency fund after making provision of $5,517,000 for servicing the Conference of the Parties and its subsidiary bodies would be $13,910,000.

31. Finally, it is proposed that the General Assembly confirm the understanding that meetings of the Conference of the Parties and its subsidiary bodies will be subject to the same provisions governing the utilization of conference services that apply to United Nations bodies and their secretariats.

Notes

1/ Official Records of the General Assembly, Fiftieth Session, Supplement No. 6 (A/50/6/Rev.1), vol. II.

Annex

Meetings of the Conference of the Parties to the United Nations Framework Convention on Climate Change and its subsidiary bodies in 1996-1997

	Title	Dates, 1996	Number of participants	Number of meetings	Venue
1.	Subsidiary Body for Scientific and Technological Advice, second session	26 February-8 March	500	12	Geneva
2.	Subsidiary Body for Implementation, second session	26 February-8 March	500	12	Geneva
3.	Ad Hoc Group on the Berlin Mandate, third session	26 February-8 March	500	16	Geneva
4.	Ad Hoc Group on Article 13, second session	8-19 July	300	2	Geneva
5.	Conference of the Parties to the United Nations Framework Convention on Climate Change, second session	8-19 July	1 000	14	Geneva
6.	Subsidiary Body for Scientific and Technological Advice, third session	8-19 July	600	7	Geneva
7.	Subsidiary Body for Implementation, third session	8-19 July	600	7	Geneva
8.	Ad Hoc Group on the Berlin Mandate, fourth session	8-19 July	600	10	Geneva
9.	Subsidiary Body for Scientific and Technological Advice, fourth session	9-20 December	500	16	Geneva
10.	Ad Hoc Group on Article 13, third session	9-20 December	500	8	Geneva
11.	Ad Hoc Group on the Berlin Mandate, fifth session	9-20 December	500	16	Geneva
	Total, 1996			120	

	Title	Dates, 1997	Number of participants	Number of meetings	Venue
1.	Subsidiary Body for Scientific and Technological Advice, fifth session	24 February-7 March	500	10	Bonn
2.	Subsidiary Body for Implementation, fourth session	24 February-7 March	500	10	Bonn
3.	Ad Hoc Group on Article 13, fourth session	24 February-7 March	500	6	Bonn
4.	Ad Hoc Group on the Berlin Mandate, sixth session	24 February-7 March	500	14	Bonn
5.	Ad Hoc Group on Article 13, fifth session	Third quarter	300	6	Bonn
6.	Subsidiary Body for Scientific and Technological Advice, sixth session	Third quarter	500	10	Bonn
7.	Subsidiary Body for Implementation, fifth session	Third quarter	500	10	Bonn
8.	Ad Hoc Group on the Berlin Mandate, seventh session	Third quarter	500	14	Bonn
9.	Conference of the Parties to the United Nations Framework Convention on Climate Change, third session	Fourth quarter	2 000	14	Bonn
10.	Ad Hoc Group on the Berlin Mandate, eighth session	Fourth quarter	800	8	Bonn
11.	Ad Hoc Group on Article 13, sixth session	Fourth quarter	300	4	Bonn
12.	Subsidiary Body for Scientific and Technological Advice, seventh session	Fourth quarter	800	7	Bonn
13.	Subsidiary Body for Implementation, sixth session	Fourth quarter	800	7	Bonn
	Total, 1997			120	